

## 1.0 INTRODUCTION

On March 24, 2000, El Paso Natural Gas Pipeline Company purchased a portion of an existing crude oil transmission pipeline extending from near Wheeler Ridge, California to McCamey, Texas. The pipeline segment was purchased from Plains All American Pipeline L.P. and All American Pipeline, L.P. (referred to collectively as “All American”). The crude oil transmission pipeline segment was subsequently transferred to El Paso Natural Gas Company (EPNG, the Applicant). The crude oil pipeline was built in 1988 and is approximately 1,088 miles long, with an outside diameter (O.D.) of 30 inches. The approximately 784-mile portion of the pipeline from McCamey to Ehrenberg, Arizona (near the California/Arizona border) is referred to as EPNG Line 2000 (Line 2000), and the approximately 304-mile portion of the pipeline from Ehrenberg to Wheeler Ridge is referred to as EPNG Line 1903 (the Project or Line 1903). Line 2000 has already been converted to natural gas service and is now being operated as part of the EPNG system.

EPNG Line 2000 currently connects (tie-in) with EPNG’s Mojave Pipeline at Topock, Arizona via the Havasu Crossover. The Mojave Pipeline connects with the Kern River Pipeline at Dagget, California. Line 2000 currently supplies gas to the North Baja Pipeline via EPNG Line 20119, a 600-foot interconnect. Additionally, EPNG’s system is currently connected with the Southern California Gas Company’s (SoCalGas’s) system at several locations, including Ehrenberg and Topock, Arizona.

The Line 1903 Conversion Project would convert the remaining 304-mile segment of existing crude oil pipeline to natural gas service. The segment extends from Ehrenberg, Arizona to Wheeler Ridge, California and passes through Kern, San Bernardino, and Riverside Counties in California and a small portion of La Paz County in Arizona. Line 1903 would provide EPNG alternative connections with SoCalGas’s system at Wheeler Ridge, the existing EPNG-owned Mojave Pipeline at Amboy, the Mojave/Kern Common Facilities at Daggett, and EPNG’s system at Ehrenberg. A 6.4-mile expansion of the pipeline system at the Cadiz Pump Station is also proposed to provide an alternate route for Line 1903 to connect with the Mojave Pipeline that would allow more capacity on this portion of the system. This Environmental Impact Report/Environmental Assessment (EIR/EA) considers the California and Arizona portion of Line 1903 and the 6.4-mile expansion at Cadiz (Cadiz Lateral) (Figure 1.0-1).

As part of the sales agreement with the El Paso Natural Gas Pipeline Company, All American removed most of the crude oil from the pipeline and dismantled five oil heating and pumping stations along Line 1903. EPNG has cleaned the interior of the pipeline. The pipeline is currently filled with nitrogen gas, protecting the internal pipeline surface from corrosion and avoiding the possibility of a combustible atmosphere. The line is also protected with a cathodic protection system to prevent external corrosion of the pipeline.

The following Project components are described in detail in Section 2, Project Description:

- construction activities for the conversion of the crude oil pipeline to a natural gas transmission pipeline—including the installation, replacement, and realignment of certain short segments of pipeline; installation of new valves and pigging facilities for line cleaning and testing; and removal or isolation of existing valves and pigging facilities;
- installing new pipeline tie-ins and metering facilities;
- installing a new 6.4-mile interconnect between the Cadiz Pump Station (MP 215.75) and the Mojave Pipeline;
- hydrostatic testing of the entire pipeline for a duration of 8-hours prior to placing the pipeline into natural gas service;
- conducting an internal inspection of the pipeline within 90 days of placing the pipeline into natural gas service; and
- operation as a natural gas transmission pipeline.

Upon completion of construction and testing, Line 1903 would have the following maximum allowable operating pressure (MAOP):

- 655 pounds per square inch-gauge (psig) from Wheeler Ridge (MP 0) to Daggett (MP 132.1);
- 944 psig from Daggett to MP 215.75;

- 1,080 psig from MP 215.75 to MP 247.6; and
- 944 psig from MP 247.6 to Arizona (MP 303.5).

The 6.4-mile lateral to connect the Cadiz Pump Station and the Mojave Pipeline would operate at a MAOP of 1,080 psig. No additional compression of the natural gas is proposed.

## **1.1 PROJECT OBJECTIVES, PURPOSE, AND NEED**

EPNG states that the Project, if integrated with EPNG's existing system, would provide an enhanced west-end system to both supply and market locations, and would provide enhanced operational flexibility for shippers using the EPNG system. More specifically, conversion of Line 1903 would provide EPNG with additional interconnect capacity between its northern and southern systems. It also would provide access for EPNG customers to Rocky Mountain gas supplies from the Kern River Gas Transmission Company (Kern River) at Daggett, California and to the SoCalGas system at Wheeler Ridge, California.

EPNG's north system originates in the San Juan basin in northwest New Mexico and extends across northern Arizona to Topock, where it interconnects with EPNG's Mojave Pipeline operating system. EPNG's south system originates in the Permian basin in west Texas and extends across southern New Mexico and southern Arizona to Ehrenberg, Arizona, located on the Colorado River. EPNG currently has two cross-over lines in western Arizona that connect its north and south systems. Additionally, EPNG currently has connections with the North Baja Pipeline at Ehrenberg via Line 2000 and the Kern River Pipeline via the Mojave Pipeline. Line 1903 would become a new cross-over line located at the western end of EPNG's system. This western end location would enable EPNG to move gas between Topock, Arizona and Ehrenberg, Arizona delivery points on a firm basis for its California customers without the need to expand EPNG's north or south mainline systems (Figure 1.1-1).

Based on these circumstances, EPNG believes its customers would be best served by converting the remainder of the former All American crude oil pipeline system to natural gas use. EPNG intends to operate the line as a bi-directional gas transmission pipeline without additional compression, physically integrated as an extension of EPNG's existing south system pipelines. As such, EPNG could provide additional gas volumes

westward to California markets, and provide gas eastward from Daggett to the California/Arizona border in order to serve customers in California, Arizona, and Mexico. EPNG states that the Project would benefit gas-fired power plants, local distribution companies in California and other states, and consumers of gas and electricity. While no new markets or supplies for gas would be accessed by the Project, Line 1903 would greatly enhance the flexibility and efficiency of the EPNG system.

The California Environmental Quality Act (CEQA) and the State CEQA Guidelines (Section 15126.6.a) require that alternatives to the proposed Project attain most of the basic objectives of the Project. Therefore, in order to explain the need for the proposed Project, and to guide in development and evaluation of alternatives, EPNG was asked to define its Project objectives. EPNG identified the following objectives for the Line 1903 Conversion Project:

- (1) Make use of an existing pipeline, minimizing the environmental effects associated with new pipeline construction.
- (2) Move Rocky Mountain gas to southern California markets via the Kern River Pipeline system to the Kern River/Mojave Common Facilities at Daggett, and then
  - west on Line 1903 to Wheeler Ridge and California markets; or
  - east on Line 1903 to Ehrenberg, Arizona and then west on the existing connections with California infrastructure of SoCalGas and North Baja; or
  - east on the Mojave Pipeline to Amboy, then east on Line 1903 to Ehrenberg, Arizona and then west on existing California pipeline infrastructure, or east on Line 2000.
- (3) Move additional San Juan gas supplies from northwest New Mexico to southern California markets via the EPNG system and the Mojave Pipeline at proposed Daggett and Amboy interconnects, then on Line 1903 west to Wheeler Ridge or east to Ehrenberg, Arizona and then west on existing California pipeline infrastructure, or east on Line 2000.

- (4) Potentially accept shipments of liquified natural gas (LNG) that is regasified and carried in the North Baja Pipeline to southern California markets via Ehrenberg, Arizona then west on Line 1903 to interconnecting pipelines at Amboy, Daggett, or Wheeler Ridge.

EPNG conducted a binding open season from January to March 2004, to obtain customer commitments for Line 1903 capacity. Interest in Line 1903 capacity has been expressed by local distribution companies in California and Arizona, and by electric utilities and power plants in California and Arizona. Many of these potential Line 1903 customers are existing EPNG customers who would benefit from the enhanced flexibility.

## **1.2 PURPOSE AND SCOPE OF EIR/EA**

This EIR/EA serves as an informational document for decision makers and the public to use during the environmental review process. The EIR/EA is intended to provide the information required by the California State Lands Commission (CSLC), as the CEQA lead agency; the US Bureau of Land Management (BLM), as the National Environmental Policy Act (NEPA) lead agency; the Federal Energy Regulatory Commission (FERC), as a cooperating agency; and Federal, State, and local responsible agencies, to consider the Project.

The principal purposes of the EIR/EA are to:

- identify and assess the potential direct, indirect, and cumulative impacts on the natural and human environment that would result from implementation of the Project;
- describe and evaluate reasonable alternatives to the Project that would feasibly attain most of the basic objectives of the Project but would avoid or substantially lessen any significant adverse effects of the Project on the environment;
- identify and recommend specific mitigation measures, as necessary, to avoid or minimize significant environmental effects; and
- encourage and facilitate involvement by the public and interested agencies in the environmental review process.

The topics addressed in this EIR/EA include biological resources (including vegetation, wildlife, aquatic species, wetlands, and special-status species), agricultural resources, geology and soils (including seismicity, and mineral and paleontological resources), hydrology and water quality, hazards and public safety, air quality, traffic and transportation, noise, cultural resources, aesthetic/visual resources, land use and planning, socioeconomics (including population and housing), recreation, environmental justice, cumulative impacts, and growth-inducing impacts.

The EIR/EA describes the affected environment as it currently exists, discusses the environmental consequences of the proposed Project, and compares the Project's potential impact to that of alternatives. The EIR/EA presents measures to eliminate or reduce the potential environmental impacts of the proposed Project; measures include those incorporated into the Project design, recommended mitigation measures, and the conclusions of agency staff.

### **1.2.1 California State Lands Commission**

The CSLC is the State agency with jurisdiction and management control over California's sovereign and school lands. As such, the CSLC is the lead agency in California for preparing the EIR/EA, complying with the CEQA (Public Resources Code [PRC] Section 21000 *et seq.*), following the guidelines for the implementation of the CEQA (California Code of Regulations [CCR] Title 14, Section 15000 *et seq.*), and coordinating the review of the EIR/EA by state and local responsible and trustee agencies. These trustee agencies include the California Department of Fish and Game (CDFG), the Regional Water Quality Control Boards (RWQCBs), the California Department of Transportation (CalTrans), and the local Air Quality Management Districts (AQMDs).

The CSLC would use the EIR/EA to determine whether to terminate existing leases and issue EPNG new right-of-way (ROW) leases. When the EIR/EA is completed, the CSLC must certify that:

- the final EIR/EA has been completed in compliance with the CEQA;
- the final EIR/EA was presented to the CSLC in a public meeting, and the CSLC reviewed and considered the information contained in the final EIR/EA prior to considering the proposed Project; and

- the final EIR/EA reflects the CSLC's independent judgement and analysis (State CEQA Guidelines Section 15090[a]).

In conjunction with certification of the EIR/EA, the CSLC must prepare one or more written findings of fact for each significant environmental impact identified in the document. These findings are:

- the Project has been changed (including adoption of mitigation measures) to avoid or substantially reduce the magnitude of the impact;
- changes to the Project are within another agency's jurisdiction and have been or should be adopted; or
- specific considerations make mitigation measures or alternatives infeasible.

If any of the impacts identified in the EIR/EA cannot be reduced to a level that is less than significant, the CSLC may issue a Statement of Overriding Considerations for approval of the Project if specific social, economic, or other factors justify the Project's unavoidable adverse environmental effects. If the CSLC decides to approve a Project for which an EIR/EA has been prepared, the CSLC issues a Notice of Determination following such action.

### **1.2.2 US Bureau of Land Management**

The BLM is the Federal agency responsible for considering a ROW grant on BLM-administered lands. Under Section 185(f) of the Mineral Leasing Act of 1920, the BLM has the authority to issue ROW grants for all affected Federal lands—in accordance with Title 43 Code of Federal Regulations (CFR) Parts 2800 and 2880, subsequent 2800 and 2880 Manuals, and Handbook 2801-1. For the Line 1903 Project, the BLM would consider the issuance of a new or amended ROW grant and issuance of associated temporary use permits that would apply to BLM-managed lands in the Project area. The BLM would consider conformance with land use plans and impacts on resources and programs in determining whether to issue a new or amended ROW grant.

The BLM is the lead Federal agency for the preparation of this EIR/EA in compliance with the requirements of the NEPA and the Council on Environmental Quality (CEQ)

regulations for implementing the procedural provisions of the NEPA (Title 40 CFR Parts 1500-1508).

### **1.2.3 Federal Regulatory Energy Commission**

The FERC is an independent regulatory agency within the Department of Energy that regulates the transmission of natural gas in interstate commerce. Under the Natural Gas Act of 1938 (NGA), the FERC determines whether interstate natural gas facilities are in the public interest and, if so, grants a Certificate of Public Convenience and Necessity (FERC Certificate) to construct and operate them. This determination is based on consideration of a number of factors, including project engineering and design, financing, rates, market demand, gas supply, existing facilities and service, and environmental impacts.

As a cooperating agency, the FERC would adopt all (or appropriate portions) of the final EIR/EA for use in its decision-making process. This process would conclude with an order either denying the Project or granting authorization and issuing a FERC Certificate. Issuance of a FERC Certificate would provide EPNG with the power of eminent domain on private lands. Conditions would be attached to the FERC Certificate that include environmental protection measures that result from the NEPA process as presented in this EIR/EA.

## **1.3 PUBLIC REVIEW AND COMMENT**

### **1.3.1 Scoping**

The CSLC and BLM jointly issued a *Notice of Intent/Preparation to Prepare a Joint Environmental Impact Report/Environmental Assessment for the Proposed El Paso Line 1903 Pipeline Conversion Project; Request for Comments on Environmental Issues, and Notice of Public Scoping Meetings* (NOI/NOP) on October 15, 2002. The NOI/NOP briefly described the Project; provided a preliminary list of environmental issues; and invited written comments from responsible agencies, affected landowners, and interested parties on the scope and content of the environmental information and analysis that should be included in the EIR/EA. The NOI/NOP listed the date and location of public scoping meetings. The NOI/NOP was sent to 1,465 interested parties, including Federal, State, and local agencies; elected officials; environmental and public interest groups; Native American tribes; California landowners; and local libraries and newspapers. The comment period on the NOI/NOP closed on November 22, 2002.



Three public scoping meetings were held in the Project area. They provided an opportunity for the general public to learn more about the proposed Project and participate in the environmental analysis by commenting verbally on the issues to be included in the EIR/EA. These meetings were held in Bakersfield, California (November 12, 2002), Barstow, California (November 13, 2002), and Blythe, California (November 14, 2002). In addition to being announced in the NOI/NOP, announcements of these meetings were published in local newspapers. A transcript of each public scoping meeting and all written comments are part of the public record.

The comments received during the agency and public scoping period raised issues related to geologic hazards, hazardous materials, vegetation, wildlife, special-status species, land use, traffic, and pipeline safety. Appendix B provides copies of letters received during scoping, and indicates the section of the EIR/EA in which the issue is addressed.

#### **1.4 CONSISTENCY WITH REGIONAL AND LOCAL PLANS**

The proposed Project must be consistent or in conformance with the guidelines, management objectives, and designated uses set forth in regional and local plans for the Project area, or a plan amendment would be required. Plans that were reviewed for consistency include BLM resource management plans (RMPs) and local land management plans. The consistency analysis is provided in Section 4.12, Land Use and Planning.